

BOARD OF FINANCE

April 21, 2010

Minutes of the Regular Meeting of the Board of Finance held at 7:00 P.M., on Wednesday, April 21, 2010.

Members Present: First Selectman Freda, Mr. Monico, Mr. Hallahan, Mr. Pieper, Ms. Vissicchio, Mr. Lianos, Mr. Kohlhepp

Also Present: Director of Finance Edward J. Swinkoski

The following materials were either mailed to the members prior to this meeting or distributed at this time.

1. March 31, 2010
 - Report of Budget
 - Report of Revenue
 - Special Funds
 - Bd/Ed Accounting
2. Agenda – April 14, 2010
3. Minutes of the Regular Meeting held on March 17, 2010
4. Draft Resolutions (3), Finalize FY 10-11 Budget
5. 2009 Grand List Net Net Taxable, Post-BAA
6. Health Insurance Claims History Analysis
7. Rejection Letters (4) from Insurance Carriers

MINUTES

After a brief discussion of the Minutes of the Regular Meeting held on March 17, 2010, Mr. Pieper moved their acceptance, seconded by Mr. Hallahan.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Kohlhepp - Yes		

OLD BUSINESS

None.

NEW BUSINESS

REPORT OF BUDGET, REVENUE, SPECIAL FUNDS AND BOARD OF EDUCATION ACCOUNTING MARCH 31, 2010

Mr. Swinkoski referred to these reports stating that tax collections at the end of March were 99.8%. Mr. Swinkoski reviewed the overexpenditure report in detail. Further discussion followed. These reports were accepted as presented.

APPOINTMENT OF AUDITOR

Mr. Monico stated that Mr. Swinkoski negotiated with McGladrey & Pullen to extend their contract for another 3 years with a 7% reduction in cost. Mr. Swinkoski said that the GFOA

recommends that auditors be awarded at least a five year contract. We are currently in the third year of our contract with McGladrey & Pullen and are very satisfied with their work performance. The Town will go out to bid again at the end of FY 2013.

Mr. Lianos then moved to appoint the firm of McGladrey & Pullen as auditors for FY 2010-2011, FY 2011-2012, and FY 2012-2013.

Seconded by, Mr. Pieper.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Kohlhepp - Yes		

FINALIZE FY 2010-2011 BUDGET

Mr. Hallahan said that the attendance at the public hearing was very light. He said there was a feeling of resignation that most costs were beyond our control. He also said that people seemed to be happy with the Board of Education budget.

Mr. Freda said he received feedback that many people stayed at home and watched it live on NHTV. He also attributed the light attendance to the UCONN basketball game.

Mr. Hallahan wanted to know if changes needed to be made to the budget due to the signing of the Clerical Union Contract. Mr. Swinkoski said no, those items were already addressed.

Mr. Hallahan was very dissatisfied with the Clerical Union contract in that he felt health care costs should have been negotiated. He said that health care costs are up 43% and the contract was a step backwards.

Mr. Freda explained that he picked up the contract when it was already in mediation. At that point, there was no quote from Anthem nor did the Town go out to bid for health insurance. The clerical union took a 0% salary increase for two years, which significantly saved the Town money. Mr. Freda said that he has met with every Union president and they are well aware that from this point forward changes have to be made to their health plans. He felt that the clerical union contract set a good foundation for future negotiations.

Mr. Kohlhepp said that in the future the Town needs to lower the insurance costs. He said we cannot afford benefits higher than the private sector.

Mr. Freda passed out a claims history analysis on health insurance to Board members. He encouraged the Board members to review it. He also passed out rejection letters received from four insurance carriers (CIGNA, United Healthcare, Connecticare, and Aetna). He explained that he is waiting for quote from Anthem on self insurance, although he felt it would be no different if not higher than their current increase of 28 percent.

Mr. Kohlhepp said that if we are stuck with Anthem, we need to hold their feet to the fire. He also asked what the case management plan is.

Mr. Freda said that case management is part of the solution, using Anthem's resources to educate unions about smoking, weight loss, etc. thereby reducing claims over time. He said the other part of the solution is redesigning the health care plans for all unions.

Mr. Monico said that we should not move forward with the budget resolutions at tonight's meeting because we are still waiting to receive a quote from Anthem for self insurance. He recommended that the Board have a Special Meeting on Wednesday, April 28th.

Both Mr. Freda and Mr. Kohlhepp agreed with Mr. Monico. They thought it would be the best course of action to wait and get the other quote from Anthem.

Mr. Hallahan said that Anthem is having a serious effect on our budget and he will not vote in favor of the proposed budget.

PUBLIC COMMENT

Discussion followed for approximately 30 minutes with residents asking questions and making recommendations.

There being no further business to come before the Board, Mr. Lianos moved to adjourn the meeting at 8:50 PM, seconded by Mr. Pieper.

VOTE:	Freda- Yes	Monico - Yes	Hallahan - Yes
	Pieper - Yes	Vissicchio - Yes	Lianos - Yes
	Kohlhepp - Yes		